

The 25th Annual Drug Testing Industry Survey Results

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25 YEARS OF INDUSTRY INSIGHTS FROM THE CURRENT CONSULTING GROUP

The Current Consulting Group's 25th Annual Drug Testing Industry Survey has become the longest-existing source of drug testing trends as identified by professionals in the employee screening business. The results of the 2023 survey, which was officially released at the annual conference of the National Drug and Alcohol Screening Association (NDASA), has once again identified fascinating new trends and verified others that continue to have a significant impact on how providers meet the needs of their workplace drug and alcohol testing clients.

"I founded the Current Consulting Group (CCG) in 1998 to provide the drug testing industry with accurate and up-to-date information to help them make important strategic marketing and sales decisions," said Bill Current, the President and Founder of the Current Consulting Group. "In the beginning, it was just me. I didn't have a partner or a co-founder or any employees for that matter, but I got a lot of help from many generous friends in the industry."

One of those friends, Current explained, was Mac Allen from a third-party administrator at the time, National Safety Alliance (NSA).

He suggested that Current conduct a survey of the drug testing industry in preparation for a presentation Current would be making about the future of drug testing at the annual meeting of the Substance Abuse Program Administrators Association (SAPAA) in 1999. Thanks to Mac's suggestion, CCG's Drug Testing Industry Survey was born and has been conducted every year for a quarter of a century.





25 YEARS OF INDUSTRY INSIGHTS CONT.

This unique, highly anticipated annual survey is made possible each year by the generous support of several major drug testing providers. This year's survey sponsors include (in alphabetical order):

- Abbott
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- OraSure Technologies
- Premier Biotech
- Quest Diagnostics
- SOBRsafe
- Wondfo



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"Among the key things we learn from the survey," Current noted, "is that the legalization of marijuana continues to have a negative impact on drug testing sales. However, most providers believe the future of the industry is bright."

"Also, clearly oral fluid drug testing has further solidified its place as the fastest growing segment of the drug testing industry thanks, in part, to endorsements from the Substance Abuse and Mental Health Services Administration (SAMHSA) and the U.S. Department of Transportation (DOT)."

More than 500 drug testing providers, including representatives of laboratories, manufacturers, Medical Review Officers (MROs), third-party administrators (TPAs), background check companies, collectors, and substance abuse professionals participated in the 2023 survey.

For more information about Current Consulting Group's 2023 Drug Testing Industry Survey or to become a corporate sponsor of the 2024 survey, please contact info@currentconsultinggroup.com.



STATE OF THE DRUG TESTING INDUSTRY

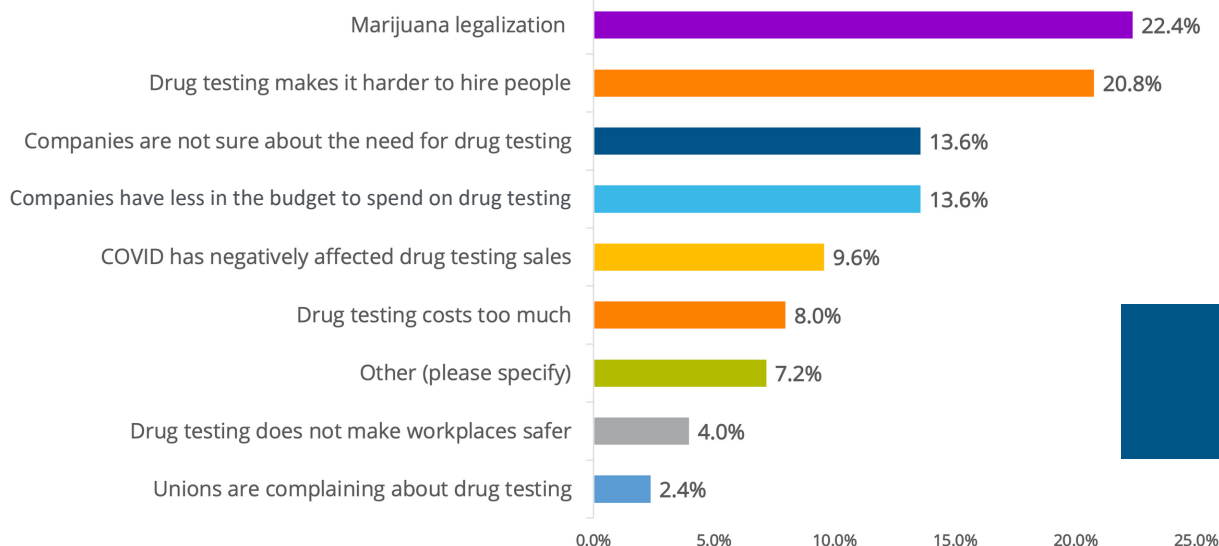
How is the drug testing industry doing in 2023? According to the Current Consulting Group's 2023 Drug Testing Industry Survey, the industry is in pretty good shape. Nearly three-quarters of respondents said sales are up or the same as last year.

Nearly 46% of the survey respondents (45.9%) said drug testing sales in 2023 are up compared to the previous year and 27.7% said they are unchanged. By comparison, only 17.6% indicated sales are down this year.

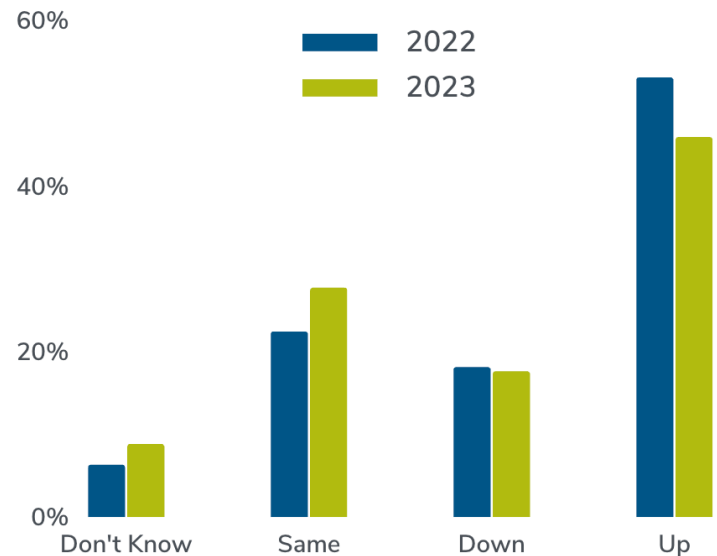
Why are sales down for some providers?

The legalization of marijuana was cited by 22.4% (down from 31.4% last year) and 20.8% said they believe many of their clients feel drug testing makes it harder to find people to hire (down from 28.6% last year). Other oft-cited reasons include those who said companies have less in the budget to spend on drug testing and those who said companies are questioning the need for drug testing, both at 13.6%. Another 8% said drug testing costs too much. And 8% said drug testing costs too much. And 8% said drug testing costs too much.

If Down, Why?



Are Drug Testing Sales Up or Down in 2023?



"Most providers who participated in our 2023 industry survey indicated that the industry would continue to thrive."

Bill Current, President and Founder of the Current Consulting Group

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the next page**

STATE OF THE DRUG TESTING INDUSTRY CONT.

Are employers still conducting pre-employment testing?

At a time when many reports indicate that substance abuse and positive drug test results are on the rise,^{[i][ii]} pre-employment drug testing is down slightly. Just over 22% said only 50-80% of their clients conduct pre-employment testing (down from 23.4% in last year's survey), while 42.3% said 80-99% of their clients still conduct pre-employment testing (down from 45.7%). Just over 26% said all of their clients screen applicants for drugs (up from only 19.2% last year).

About 17% of providers said they have had clients drop pre-employment testing, though not many, while 15% said they have had clients drop it and expect more will do the same. Nearly 24% said they have not had clients discontinue pre-employment testing, but they anticipate it happening. About 44% said it's either not a trend (33%) or not a growing trend (11%).

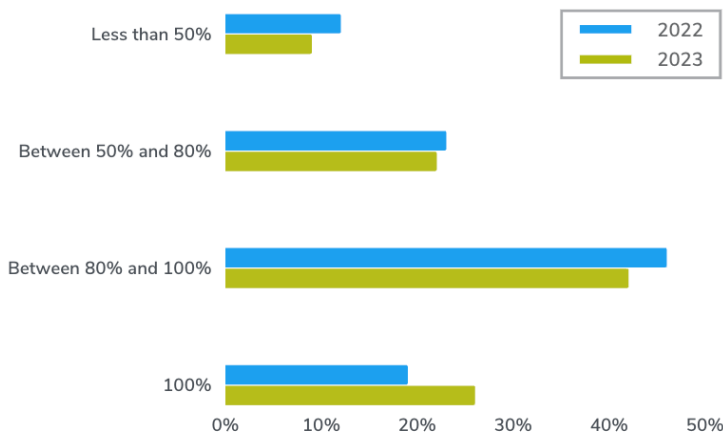
What about random testing?

When asked if they have had clients drop random testing, 19.9% said yes, but not many; 17.2% said yes, and they think more will do so; and 11.3% said no, but they anticipated some will do so. About 42% said discontinuing random testing is not a trend while 10% said it is not a growing trend.

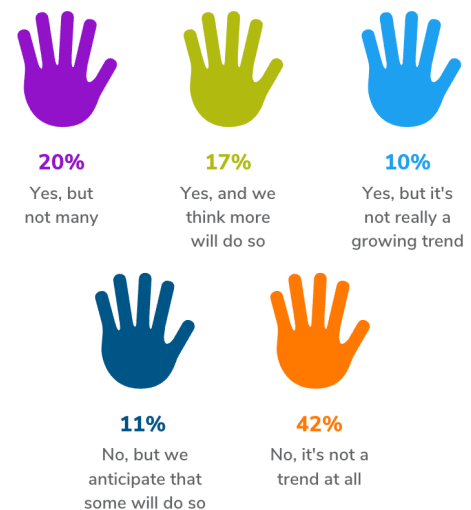
"Expect drug testing to survive and probably flourish over the next five years," predicted Bill Current, President and Founder of the Current Consulting Group. "Most providers who participated in our 2023 industry survey indicated that the industry would continue to thrive."

In fact, 57% said they believe drug testing will increase over the next five years while about 9% believe it will stay the same. That said, 16% believe drug testing will decrease during that period, which is up from 10% in last year's survey.

Clients Conduct Pre-employment Testing



Have Clients Eliminated Random Testing?



[i] Workforce Drug Test Positivity Climbs to Highest Level in Two Decades, Finds Quest Diagnostics Drug Testing Index Analysis. Quest Drug Testing Index. March 2022. <https://newsroom.questdiagnostics.com/2022-03-30-Workforce-Drug-Test-Positivity-Climbs-to-Highest-Level-in-Two-Decades,-Finds-Quest-Diagnostics-Drug-Testing-Index-Analysis>.

[ii] SAMHSA releases 2020 National Survey on Drug Use and Health. October 2021. <https://www.samhsa.gov/newsroom/press-announcements/202110260320>



DRUG TEST PRICES

Prices for various drug testing services is on an upward trajectory according to Current Consulting Group's 2023 Drug Testing Industry Survey. Survey participants included TPAs, CRAs, MROs, collectors, laboratories, device manufacturers, and other screening professionals. Most agreed that prices have increased compared to the previous year.

"While most drug testing providers believe the drug testing industry is in good shape and poised for continued growth, the costs of the critical services that make drug testing possible are in a state of flux," said Bill Current, President and Founder of the Current Consulting Group.

MRO Prices: 39% said prices for MRO services have increased in 2023 compared to just 29% in last year's survey. Another 6% said they expect prices to increase this year.

Collection Prices: 65% said collection service prices have increased, up from only 44% in last year's survey. Another 7.6% said they anticipate collection prices will increase.

POCT Device Prices: 49% said POCT device



"While most drug testing providers believe the drug testing industry is in good shape and poised for continued growth, the costs of the critical services ... are in a state of flux..."

prices have increased compared to only 29% in last year's survey; 6.3% expect prices to increase.

Alcohol Test Prices: 51% said alcohol test prices have increased this year compared to just 31% in last year's survey. About 7% think they will still increase.

Lab Prices: 71% said lab prices have increased this year compared to 41% in last year's survey. Only 4.4% said prices may still go up in 2023.

Price increases do not go unnoticed by the employers who rely on drug testing. In Current Consulting Group's 2022 Employer Drug Testing Survey, when asked "What are the biggest challenges to performing drug tests?", 25.8% said "cost of drug testing/budget concerns." Other obstacles cited that impact employers' costs when conducting drug testing included: "arranging collections" (41%), "getting results in a timely manner" (35%), and that it "adds time to the hiring cycle" (23%).

ORAL FLUID TESTING

While urine testing continues to be the most utilized drug testing method, oral fluid testing is becoming increasingly more popular, thanks in part to favorable decisions by the federal government to allow oral fluid testing in some circumstances.

The Substance Abuse and Mental Health Services Administration (SAMHSA) issued regulations for lab-based oral fluid testing of federal employees in October of 2019. Then, in February of 2022, the U.S. Department of Transportation (DOT) issued a Notice of Proposed Rulemaking (NPRM) for lab-based oral fluid testing, which led to final regulations from DOT in May of 2023. The DOT regulations will permit covered employers to use oral fluid in place of or in combination with urine testing once at least two laboratories have qualified for SAMHSA certification for oral fluid testing.

Does SAMHSA & DOT Approval Mean More Clients Will Consider Oral Fluid Testing?



51%

Yes, this is very important to many of our clients



31%

Yes, but not for most of our clients



5%

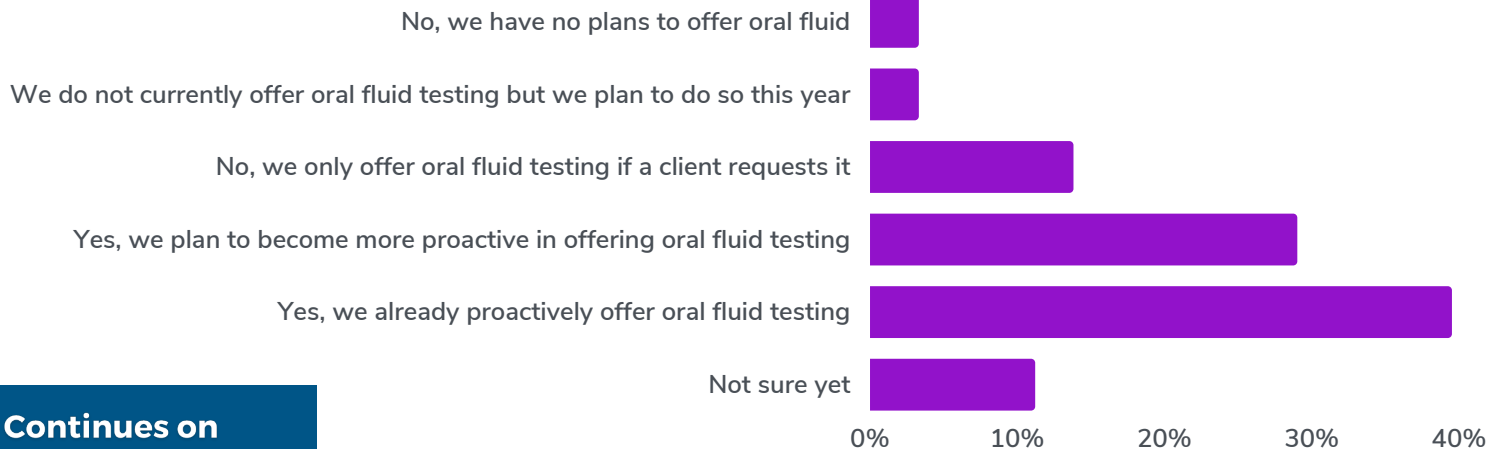
No, most of our clients are not concerned with the federal government's decision regarding drug testing



14%

Not sure yet

Increased Offering of Oral Fluid Since SAMHSA's and DOT's Guidelines



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"Of course, urine and hair testing are not going away, nor should they, but oral fluid testing aligns well with many challenges employers face these days, especially in states that have legalized marijuana."

Brian Feeley, Vice President, Current Consulting Group

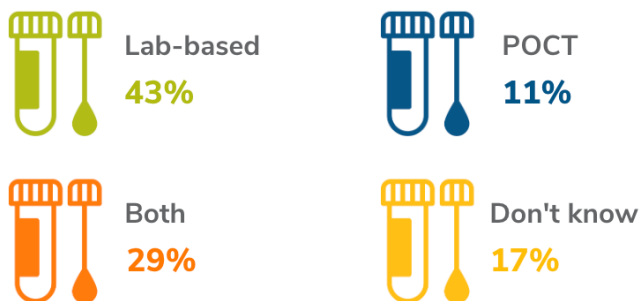
ORAL FLUID TESTING CONT.

In Current Consulting Group's 2022 Drug Testing Industry Survey, nearly half of survey participants, 48%, said the federal government endorsements were motivating them to add oral fluid testing to their offerings. Comparing the survey's responses from the last five years shows a dramatic increase in the percentage of providers who now say they offer oral fluid testing—surging from just 36% in 2019 to 85.6% in 2022.

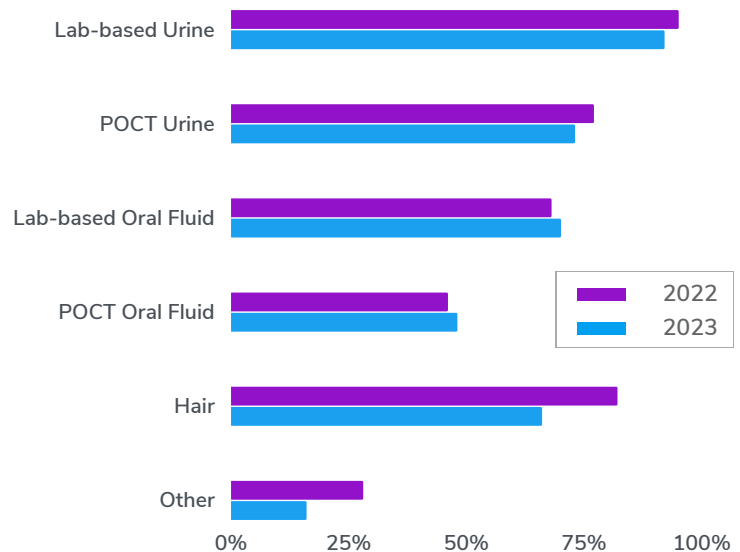
In Current Consulting's 2023 industry survey, when drug testing providers were asked: "If you do not currently sell a certain testing method, which one(s) do you anticipate selling in the future?", 14% said lab-based urine and 23% said lab-based oral fluid. Additionally, 14% said POCT urine and 21% said POCT oral fluid.

When asked which method of oral fluid testing, lab or POCT, do your clients currently prefer, 43% said lab-based oral fluid, 11% said POCT oral fluid, and 29% said both. These results were almost identical to last year's survey.

Which Oral Fluid Testing Method Do Your Clients Prefer?



Which Drug Testing Method(s) Do You Offer?



Many survey participants believe oral fluid testing will hold a dominant place in the future drug testing market. When asked: "In the future, what drug testing specimen will be used the most?", only 46% said urine (down from 50% last year) while 46% indicated it will be oral fluid (up slightly from 45% in 2022). About 7% said it will be hair, up from 4.2% in 2022.

"Plan to see the market share for oral fluid testing increase significantly over the next five years," said Brian Feeley, Vice President of the Current Consulting Group. "Of course, urine and hair testing are not going away, nor should they, but oral fluid testing aligns well with many challenges employers face these days, especially in states that have legalized marijuana."

MARIJUANA TESTING

The legalization of marijuana continues to have an impact on employers' drug testing policies according to the Current Consulting Group's 2023 Drug Testing Industry Survey. "This trend is starting to have a direct impact on workplace drug testing practices," said Rick Tennant, Vice President of Business Development at the Current Consulting Group.

As part of the survey, when asked: "Have you had clients drop marijuana from their drug test panel in the last two years?": 53% of drug testing providers said yes, but not many; 20% said yes, too many; and 10% said no, but we expect some to do so. Only 16% said no.

The top reasons why employers drop marijuana from their drug-test panel include:

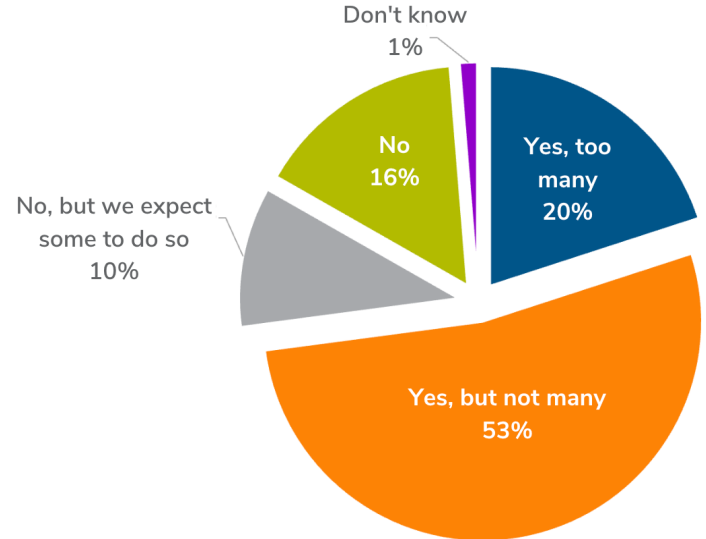
- 63% believe it makes it harder to hire new people
- 42% said it is to avoid the risk of legal challenges from disgruntled applicants and employees
- 27% believe it is not legal to test for marijuana in their state(s)
- 14% don't want to know who the marijuana users are
- 9.4% don't believe testing for marijuana makes the workplace safer
- 9% don't believe it is right to test for marijuana
- 4% probably use marijuana and don't want to be hypocrites



With so many employers dropping marijuana from their drug-test panel, it is not surprising that nearly 33% of providers said in five years employers will no longer test for marijuana while 36% said employers will still test for marijuana but it will be a lot fewer. Only 20% predicted that just as many employers as now will still be testing for marijuana.

When asked if employers who drop marijuana from their drug-test panel will eventually reinstate it, 50% said "probably not." Only 10% said "many if not all" will add marijuana back into their panel.

Have Clients Eliminated Marijuana Testing in the Last 2 Years?



"This trend is starting to have a direct impact on workplace drug testing practices."

Rick Tennant,
Vice President of Business Development



ALCOHOL TESTING

“Alcohol continues to be the most abused drug in America,” said Bill Current, President and Founder of the Current Consulting Group, “and employers ignore the issue at their own peril.”

The 2021 National Survey on Drug Use and Health found that:

- Nearly 60 million Americans 12 and older admit to using illicit drugs
- More than 138 million people admit to being current alcohol users with...
- 61.6 million being “binge” drinkers (5 or more drinks on at least one occasion in the past month)
- 17.7 million being “heavy” drinkers (5 or more drinks on at least 5 occasions in the past month)

Workplace alcohol abuse has a direct impact on safety and injuries. According to the National Council on Alcohol and Drug Dependence (NCADD):

- Workers with alcohol problems are 2.7 times more likely than workers without drinking problems to have injury-related absences



“Alcohol continues to be the most abused drug in America,” Bill Current, President and Founder.

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- A hospital emergency department study found that 35% of patients with an occupational injury were at-risk drinkers
- [Breath] alcohol tests detected alcohol in 16% of emergency room patients injured at work [iii]

According to Current Consulting Group’s 2023 Drug Testing Industry Survey, evidentiary breath testing continues to be the most common form of alcohol testing with 76% of survey participants saying it is the most used method by their clients (down slightly from 78% in 2022’s survey). Nearly 9% said saliva alcohol testing is preferred by their clients (up from 8%), while 6% said non-evidentiary breath and 2% said blood.

A majority of providers, 55%, said positive alcohol screens have remained at the same level since 2020. Nearly 18% said they are seeing more positive results compared to 2020, but not by a lot, while 8.3% said they have seen a significant increase in positive results. Only 6.4% have seen a drop in positive results.

ALCOHOL TESTING CONT.

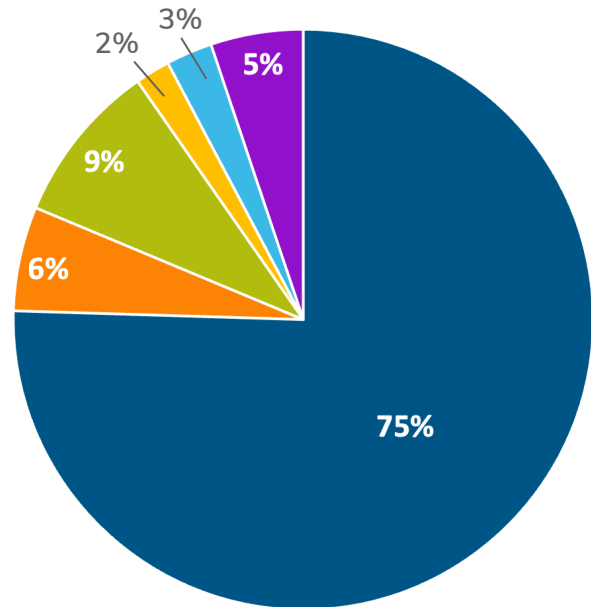
In Current Consulting Group's 2022 survey, more than 17% said they have had clients discontinue testing for alcohol since 2020, while 75% indicated zero clients had dropped alcohol testing.

When asked, "Do you feel that as a company you are well prepared to advise clients on the importance of conducting alcohol testing?", 83% said yes, while 17% said they need better information. Less than 1% said they are not sure what to say about alcohol testing and 1.3% said they "don't mind if [clients] don't conduct alcohol testing."

[iii] Alcohol Awareness and the Workplace. (2019, April 2). [web log]. Retrieved from <https://allonehealth.com/alcohol-awareness-and-the-workplace/>.



Most Used Alcohol Testing Method



- Evidentiary breath test
- Non-evidentiary breath test
- Saliva
- Blood
- None
- Don't know

Alcohol Positive Test Results since 2020



54%

Same



18%

Increased,
but not
significantly



13%

Don't know



8%

Increased
significantly




6%

Decreased
a little



0%

Decreased
a lot



SURVEY RESULTS PREDICT A "WILD RIDE" FOR THE FUTURE OF DRUG TESTING

The Current Consulting Group's 25th Annual Drug Testing Industry Survey asked service providers to offer their predictions about the future of drug testing and their responses are both fascinating and insightful.

"This year's industry survey occurs as the drug testing industry approaches a crossroads like it has never seen before," said Bill Current, founder of the Current Consulting Group (CCG). "Here at CCG we have been surveying the industry for 25 years, some years multiple times, and I can't remember a time when the survey participants were more insightful, predicting both challenges and solutions the industry will face in the near future."

Current added: "In my opinion, as the industry continues to mature after 30+ years, the average age of the people in the industry is getting younger, overall, and the combination of very experienced people with the fresh perspectives of younger people added depth and complexity to the viewpoints expressed in this year's survey. It's a very interesting and exciting time to be in the drug and alcohol testing business."

CCG agrees not to reveal the names of survey respondents so participants can feel free to share their opinions anonymously.

According to the survey respondents, the future of drug testing will include much more oral fluid testing with some predicting that rapid-result oral fluid testing will become very popular. The legalization of marijuana, ongoing economic problems, and most importantly the decision by the U.S. Department of Transportation (DOT) to approve its use will be the key drivers moving providers and employers toward more oral fluid testing.

"... the future of drug testing will include much more oral fluid testing with some predicting that rapid-result oral fluid testing will become very popular.."

[Click here read what providers are saying...](#)

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